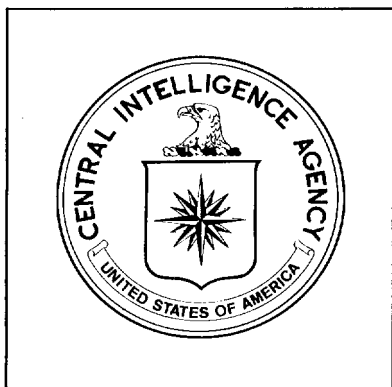


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EAST ASIA

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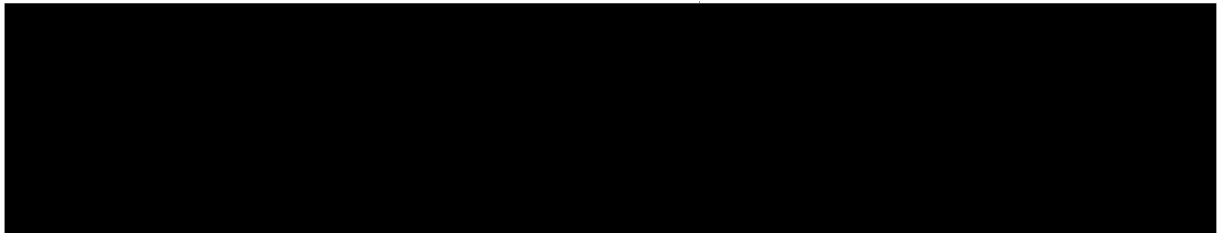
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The Thai Insurgency--A Current Assessment

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One of Bangkok's immediate reactions to Communist victories in Cambodia and Vietnam has been apprehension that the North Vietnamese will now increase their support of the Thai insurgency. Indeed, sensationalized Thai press accounts of recent insurgent attacks have given many Thai officials the impression that an "insurgent offensive" has already begun. Such a prospect seems highly unlikely any time soon.

The insurgency today is not too different from what it was five years ago. Despite continued growth, it is still small, vulnerable, and for the most part limited to the periphery of the Thai nation and society. The Thai communists, who are outmanned and outgunned by the government, would probably not choose to escalate dramatically the tempo of their military activities at this time. The insurgents continue to attack only those weakly defended government positions in remote areas of the country. It seems unlikely that they will change their tactics any time soon.

The Threat

In the space of ten years the communist movement has grown to some 8,000 insurgents scattered in three principal areas of the country--the north, northeast, and south. The character of the insurgency varies widely from region to region in its level of sophistication, quality of leadership, armaments, capabilities, and political impact.

Insurgency in the northeast has achieved a far higher level of political organization than elsewhere in Thailand. Some 3,000 insurgents have begun to erode Bangkok's political control at the village level in

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remote areas near the Laotian border. Although there has been only a gradual increase in the number of armed insurgents--some 1,000 have been added to the ranks over the past seven years--there has been a significant improvement in military capabilities due to better leadership, training, and the introduction of North Vietnamese and Chinese supplied modern arms. At the same time, the communists' political base remains vulnerable to government civic action programs. Villager support of the insurgents is based largely on fear of retribution rather than on dissatisfaction with the Bangkok government. Support for the insurgents is more of a negative phenomenon--a result of Bangkok's inability to expand its presence into these remote villages on a permanent basis and keep the insurgents out of the villages.

In the north, the communists have a strong military organization but a weak political base. Significantly limiting communist political appeal among the lowland ethnic Thai is the fact that the bulk of the insurgents in the north come from the hill tribe population. Even among the hill tribes, communist political control is resented, and many villagers have moved into the lowlands to avoid insurgent influence.

The strength of the insurgency in the north, in fact, rests largely on its geographic isolation. The government's "containment" policy, in effect, concedes control of mountainous strongholds to the communists, while concentrating on preventing insurgent expansion into the lowlands. That there is little insurgent influence in the lowlands is due largely to local prejudice against the hill tribes, rather than any positive support for government programs. The communists, increasingly sensitive to the prejudice factor, are now shifting some of their ethnic Thai leaders from the northeast into the north in an effort to improve their political appeal among the lowland Thai, but the odds favor a continuation of the present stalemate, at least for the next year or so.

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The insurgent movement in the south has long been the stepchild of the Thai Communist effort. Geographically isolated from the main area of communist interest in the north and northeast, the south has suffered from lack of capable leadership, money, and a reliable supply of armaments. While numbering well over a thousand, the insurgents are no more of a threat to the government than the sizable number of bandits and Malaysian separatists that operate along the Kra Peninsula.

The View from Bangkok

The Khukrit Pramot government's desire for a rapprochement with Hanoi and Peking is certain to influence its assessment of and response to the insurgency. Some leading officials in the Foreign Ministry and military believe that the insurgency is principally a countermeasure by Asian communist powers in response to Thailand's close cooperation with the US in Indochina. This viewpoint, which is almost certainly shared by Foreign Minister Chatchai Chunhawan, plays down the threat and holds that support of the insurgency by Hanoi and Peking is largely in retaliation for Bangkok's allowing US aircraft to be based in Thailand. Other civilian officials, while recognizing the insurgent problem cannot be ignored, believe that insurgent ranks are predominantly "misguided" people temporarily estranged from Thai society by corrupt officials and that the problem should be solved by political rather than military means. Many outside the government are openly skeptical of the threat, believing that the old military regime exaggerated the problem to justify martial law and large military budgets. These perceptions could, of course, change if the insurgents choose to become more visible and step up attacks against government outposts closer to population centers. Until now, Thai communist strategists, turning Bangkok's parochialism to their advantage, have avoided mounting spectacular terrorist acts that would force the

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government to resort to harsher policies and possibly awaken the general populace to the threat. A change in this basic approach seems unlikely for the foreseeable future.

Nor is it likely that the Khukrit government will place a higher priority on counterinsurgency programs than did previous Thai governments. Indeed, student charges that the government committed atrocities against the civilian population while combatting insurgents in 1972 have led many officials to slow down ongoing government operations. Sensitive to the student charges, which are still a live political issue, army planners are recommending that greater emphasis be placed on civic action programs. Given the unwieldy nature of the Khukrit coalition, a consensus on any government strategy for dealing with the insurgency seems unlikely. For the moment at least, it would appear that the path of least resistance for Thai politicians will be to "solve" the problem on the diplomatic level in talks with Peking and Hanoi.

External Support

There can be little doubt that external support has played an important role in bringing the insurgent movement to the point where it is now, and it will continue to play a vital role in the growth of the insurgency. Improved tactics and firepower clearly reflect the benefits derived from Chinese and North Vietnamese training programs and arms shipments. While there is not sufficient evidence to estimate the current level of external support, the insurgents do not appear to be suffering from shortages of either arms or supplies. Growth of the insurgent threat, however, is far from being a simple matter of increased external support.

What the insurgent movement lacks is not guns, but a strong political appeal. There is simply no

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issue in Thailand today that would cause large numbers of Thai to want to take up arms against their government. Most Thai own their own land and have enough to eat. The economy is strong and growing, and the new government is proving to be responsive to the needs of the rural population. At the urging of the Khukrit Pramot government, the National Assembly has just passed a bill that will pump millions of dollars into local development projects. Bangkok is also working on a new land reform bill that should open up new land to displaced farmers.

Insurgent growth has been limited to the poorest and most remote areas of the country, where only a small fraction of the population lives. Even in these areas, the insurgents have had to resort to terror to gain the support of the villagers. Continued defections from these areas suggest that the communist political base at the village level is tenuous at best.

Certainly one factor that seriously reduces the insurgents' political appeal is their outward identification with Peking. Many insurgent groups sport Mao badges on their uniforms and carry Mao's "little red book." Others make no secret of the fact that they have been trained in North Vietnam, China, or Laos. In some instances, whole training classes have been taught in Chinese. It is common knowledge among educated Thai that the Thai communist radio broadcasts from Kunming, China.

The communists have also been undercut on the two issues that have dominated their propaganda the longest--the US military presence and Thai military rule. The US presence is dwindling and an elected government sits in Bangkok. Yet the Thai communist leadership's rigid embrace of Maoist revolutionary strategy and the tone of recent propaganda broadcasts would seem to rule out any shift in strategy from rural insurgency to "united front" political tactics

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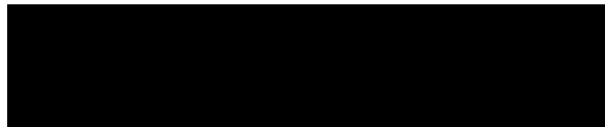
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in the urban areas for the foreseeable future. Indeed, recent communist victories in Indochina have probably strengthened the convictions of party hard liners who decided over 20 years ago to take their struggle to the countryside.

Outlook

In the final analysis, it will be internal rather than external factors that will determine the ultimate success or failure of the insurgency. Continued government neglect of the problem will be important to its continued growth. In addition, the outcome of Thailand's current experiment with parliamentary democracy could play a crucial role. A military coup against an elected government before a public consensus had emerged on its worth could quickly radicalize large numbers of well-educated civilians and government officials who support the concept of representative government. Some of the nation's youth would certainly see the communists as offering the only realistic alternative to resisting a military regime--a development that would provide the insurgent movement with the type of leadership personality badly needed if the insurgency is to expand its membership and widen its appeal. A quantum jump in Chinese or North Vietnamese training programs, advisers, and arms shipments cannot in itself significantly alter the threat unless the insurgents have the people and organization to absorb such support. For the near future, the possibility of significant growth in insurgent ranks is remote, despite whatever psychological advantage the movement may have gained from communist victories in Indochina. (SECRET NO FOREIGN DISSEM)

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Indonesia's Army: Diversity in Unity

Indonesia's political stability over the short term depends on the cohesion of the Indonesian army which controls the major instruments of national, political, and economic life. Student discontent, urban unemployment, rural economic dislocation, and rampant corruption are symptoms of fundamental problems that may in time produce social and political upheaval. Signs of disunity or loss of confidence among the army leadership would hasten the day, and President Suharto and the generals who advise him are acutely aware of this.

Thus far, army leaders have been able to compose their differences and unite behind Suharto when the situation requires, as they did after the urban riots of January 1974. Such unity, however, depends on agreement among most of the army that a potential threat to its rule exists and that Suharto represents the army's best hope for preserving its interests. More importantly, there must be general consensus on what the army's overriding interests are and what methods are best for preserving them.

The Past as Prologue

The present day Indonesian army developed from a collection of autonomous regional units that fought the Dutch between 1945 and 1949. This inheritance resulted in a national army that had weak command-and-control mechanisms and whose regional commanders had large amounts of power based on their alliances with local political and commercial interests. At the same time, however, the post-revolution army had a sense of corporate identity as the winner of independence, and few of its members had ties to the competing national civilian political groups.

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During the Sukarno years, rivalry within the military, based on ethnic and religious differences as well as service and unit loyalties, helped weaken the army as a political force and often allowed the former president to ignore his generals' desires. In addition to its institutional weaknesses in competing for influence under Sukarno, the army was unable to devise a convincing, integrated vision of its role in Indonesian society, and none of Sukarno's various ideological formulae recognized the army as an independent component.

During the early 1960s, the high command gradually became more unified. After the unsuccessful regional revolts of 1957-58, most non-Javanese officers were eliminated from the army, bringing a new ethnic homogeneity to the officer corps. Javanese dominance of the army councils, however, exacerbated competition between the three Java-based divisions.

The army's sense of itself as an elite body with a mission was also intensified by the beginning of a philosophy that depicted the army as the embodiment of the 1945 revolution and of Indonesia's national ethos. The army's position in society was enhanced when Sukarno began choosing military men to fill top civil service posts and to run nationalized foreign enterprises. Reorganization of the territorial command system and other institutional changes chipped away at the autonomy of regional army commanders.

Centralization under Suharto

Sukarno's political downfall after the abortive communist coup of September 1965 and the subsequent rise to power of General Suharto put the army command in full control of its destiny for the first time. From the beginning, Suharto stressed the need for a full-scale reorganization that would guarantee defense ministry control over the military, army control over

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the defense ministry, and Suharto's personal control over the army. The military reorganization which followed greatly enhanced the power of the commander in chief at the expense of all other elements. Regional officers in particular lost their former freedom of action and, in addition, they are now rotated frequently to prevent the entrenchment of local warlords. Improved communications from Jakarta have contributed greatly to the defense ministry's new ability to keep close watch over local army affairs.

Army leaders have not neglected the need for ideological unity. The various military schools and training courses now provide large doses of an all-encompassing philosophy that focuses on the army as the true embodiment of the national ideology, Pancasila. Instructors also stress professionalism and mastery of the military arts. In this way, they hope to create a self-conscious elite group free of the kinds of rivalries that plagued the army in the past.

Such institutional and ideological measures contribute to cohesion largely in the middle and lower ranks and among the younger generation of officers. For the generals who run the country, the most significant force for unity is their shared belief that disunity will lead to political chaos that could in turn open the way for a resurgence of leftist political activity. The generals lived through the Sukarno era and remember how their civilian rivals exploited intra-army competition. In 1973, widespread belief that dissension existed within the top army leadership undoubtedly contributed to the rapid spread of a civilian protest movement. The ease with which the small-scale student demonstrations of late 1973 blossomed into widespread urban violence in Jakarta in January 1974 was interpreted by Suharto and others as an object lesson in the political perils of army disunity.

These concerns work to Suharto's political advantage. Private and public expressions of independent

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thinking or criticism of government acts have been consistently discouraged in Suharto's army. Since assuming power in 1967, Suharto has picked off his opponents and rivals one by one, enforcing conformity on recalcitrant generals; otherwise they are exiled to powerless high prestige jobs or forced into retirement. As a result, Suharto has gradually evolved from the first among equals to something more closely approaching authoritarian control. It also works to Suharto's advantage that even those who might oppose his leadership could not agree among themselves on a satisfactory substitute.

Intimations of Mortality

Despite the public display of consensus and the ideological and institutional changes, competing cliques still exist. Evidence of disunity in late 1973, while it should not be overstated, nonetheless demonstrated that there are important chinks in the public facade. The ostentatious closing of the ranks in the spring of 1974, although impressive, did not resolve any of these fundamental problems. Present army leaders belong to the same generation that won the revolution, and loyalties to revolutionary comrades, territorial units and ethno-religious identities are still important to them. Moreover, there is a new built-in tension created by the army's added role as a government--the cleavage between those primarily responsible for its military-security duties and those dealing with the civilian-administrative tasks.

Most of Suharto's efforts to create a unified army have been directed at disunity arising within the army as a military institution. Since 1965, however, the army has operated as much as a political party as an army--perhaps more so. Army generals spend more time discussing national political and economic strategies

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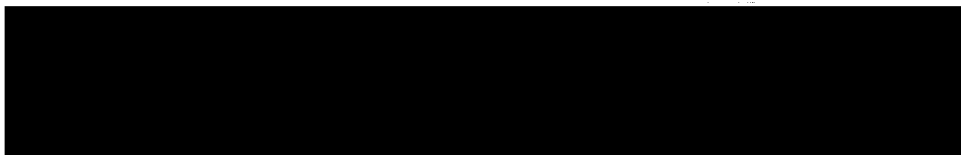
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than defense problems. As with any civilian political party, such amorphous issues easily give rise to factions based on personalities, interest groups, and differences over goals and methods. Differences over how the Suharto government was handling civilian discontent, for example, contributed to army disunity in late 1973.

A new split based on different military generations is a growing possibility. The top ranks are filled with those whose careers are based on revolutionary trial by combat in 1945, while the younger officers are being judged against new standards of professional competence. Although the evidence is fragmentary, this schism may be reinforced by the new nationalist ideology being taught in the academies. The younger men are being taught that the army's role is nation building, whereas many of the older men in positions of responsibility seem more bent on self-gratification. It is not inconceivable that such a split could give rise to a "colonels' reform movement" within the army, perhaps with ties to civilian opponents of the regime.

Another potential source of disunity is the numerous army leaders who, over the years since 1965, have been forced out of the ruling group. Some of them represented important groups within the army that may now feel bereft of a voice in decision making.

Over the short term, however, the main factor affecting continued military cohesion will probably be whether the generals' historic memory of past consequences of disunity will continue to override their personal and philosophical differences. A showdown was avoided in 1974 because General Sumitro and his friends chose not to contest Suharto's decision to remove Sumitro from power, but there is no guarantee that future protagonists will follow suit. (SECRET NO FOREIGN DISSEM)



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Burma: An Upright Domino

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The Burmese army has fought well and has made some territorial gains in recent campaigns against communist insurgents. In the Pegu Yomas area of central Burma--an old communist stronghold--the army has successfully completed an operation begun last fall that wiped out most of the remnants of a communist force and killed the last two communist leaders active in this area. In northeast Burma, government units early this year threw back a series of attacks by the main communist insurgent force.

Rangoon may now be preparing to follow up these successes with an offensive against the communists in the northeast. President Ne Win optimistically claimed, during a tour of military installations in the northeast last month, that the army would recapture the eastern Shan State from the communists. He and Defense Minister Tin Oo recently told subordinates of plans for such a drive. In a later conversation [REDACTED] the President gave the impression that he wanted to push the insurgents up to the border with China.

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Ne Win's willingness to move more forcefully against the insurgency may be related, at least in part, to renewed confidence that such military operations will not prompt a reaction from Peking. The President told [REDACTED] that he was encouraged by the relatively low level of Chinese involvement in recent Burmese communist military activity. In the past, Ne Win has expressed concern over how "Big Brother" might respond to Rangoon's efforts against the Burmese communists. Peking apparently is continuing to provide them with some supplies, but Chinese support has been reduced during the past two years.

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Recent communist victories in Indochina may also figure in Rangoon's military plans. Ne Win has shown little concern that developments in Indochina might pose a threat to Burma, but he may hope to deal the Burmese insurgents a crushing blow before they can draw encouragement from communist successes elsewhere and act more aggressively against the Burmese army.

The army probably can make further inroads on Burmese communist territory, but it lacks the capability to wipe out the insurgents completely in the near future. The army reportedly is building up its troop strength and introducing some tanks into eastern Shan State. The Burmese communists, however, have an estimated 5,000 to 8,000 troops under their command, and the situation is complicated by the presence of numerous small ethnic insurgent groups in the region, including some who cooperate with the communists. In recent months, several hundred troops from the Shan State Army have accepted aid and military training from the Burmese communists. (SECRET NO FOREIGN DISSEM/BACKGROUND USE ONLY)

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South Korea: Pak Bears Down on Opponents

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President Pak of South Korea is citing an increased threat of attack from the North as justification for cracking down on his domestic opposition.

Over the past several weeks, the Pak government has executed eight political prisoners, sent troops to occupy one major university, closed down many others, passed an "anti-slander" law curbing political dissent, arrested a number of political opponents, and expelled an American missionary who had been critical of the regime.

Pak reportedly is planning other steps to control former political prisoners and to restrict what he terms "left-wing" organizational work among the urban poor and in labor unions by Christian leaders.

The government is considering outlawing any criticism of the government. This tougher approach reflects, in part, Pak's disappointment with the conciliatory tactics he tried last winter--the staged national referendum and the release of some 150 prisoners. These gestures took the steam out of the anti-Pak movement for a time, but opposition politicians soon began to speak out again, and university students went ahead with their customary spring demonstrations.

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The President's inclination to get tough has been reinforced by developments in Indochina and by the recent trip of Kim Il-song to Peking. Pak says these events increase the threat of attack from the North. Although obviously dramatizing this threat to justify suppression of criticism, he does seem alert to the danger of overdoing it. In a major address on

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April 29, for example, he emphasized that the threat from the North should not be overestimated.

Pak is aware that a domestic crackdown may lead to diminished support in the US Congress. He seems, nevertheless, to have decided that the need for stricter discipline--demanded by national security--is worth the risk, that he will never be able to satisfy his critics in the US, and that to attempt it would undermine his position.

Major Problems

Pak is convinced that unquestioning acceptance of his leadership is necessary if South Korea is to meet the challenge of the tightly disciplined North Korea. South Korean society, however, has changed greatly with the economic achievements fostered over the past 15 years by his own administration. The educated, largely Westernized, urban middle class is no longer willing to accept strong man rule. More and more members of this elite are demanding an open system, more citizen participation in government, and greater opportunities for political and economic change.

Many in the opposition share Pak's concern about North Korean intentions, but they argue that Pak's political views are the greater danger to South Korea. In their view, his increasingly unpopular system, maintained in large measure by police-state methods, dilutes national unity and weakens the nation's ability to stand up to the communists.

The new constitution that Pak pushed through in a 1972 referendum has become the major target of the opposition, which objects particularly to provisions that virtually guarantee Pak the presidency for life. The opposition demands changes that would provide for genuine elections for the presidency and the national legislature.

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Pak faces a number of other potentially serious problems:

- There are few in the government hierarchy these days with the temerity to question Pak's judgments and decisions. He thus acts with limited information.
- Pak has no ally other than the US to whom he can turn, and indications of concern in the US about violations of civil rights encourage his opponents to believe they might win US support for their positions.
- Some South Korean military and security leaders believe that government troops and police might refuse to fire on anti-Pak demonstrators if the chaotic pattern of the 1960 anti-Rhee riots is repeated.
- Pak faces difficult economic problems. The South Korean economy depends greatly on exports, hit hard over the past year by recession in the industrialized states. The government is concerned that steep inflation and rising unemployment in key export industries could at some point bring the largely apolitical urban labor force into active opposition.

Assets

Pak still enjoys some advantages in dealing with his opponents, who are largely concentrated in Seoul and a few other major cities. Most of the top army commanders are loyal to Pak, as are the managers of the extensive and reasonably effective police and intelligence services.

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Major business interests probably support Pak, although there is some concern that Pak's inability to end demonstrations and unrest could discourage foreign investment. The regime appears strongest in the countryside where the peasants are not doing badly and, in any case, are usually apolitical.

Pak's political shrewdness makes him a tough adversary; under pressure he digs in, intimidating most opponents. Some experienced observers point out that Pak also seems to know when to ease up in order to avoid provoking explosive reactions.

Outlook

Pak has to decide whether to permit constitutional changes that would allow the opposition a legitimate and meaningful role, to continue with the carrot-and-stick tactics of recent years, or to clamp down even harder.

Pak is too wary of his political enemies at home and in the North to let his guard down and to choose the first option.

The third option, which would mean dropping most of the appearances of democracy, seems more likely now than at any time in recent years. Pak may calculate that, in the aftermath of recent events in Indochina, the US will be reluctant to appear to be withholding support from any established ally, regardless of its faults. US congressional attitudes, however, provide some brake on this option.

The outlook is for a continuation of Pak's carrot-and-stick policies--an essentially hard domestic line, with an occasional olive branch for the opposition. This will bring Pak into open conflict, sometimes in the streets and on the nation's campuses, with South Korea's nascent middle class. The opposition will try to keep the pressure on, despite repression.

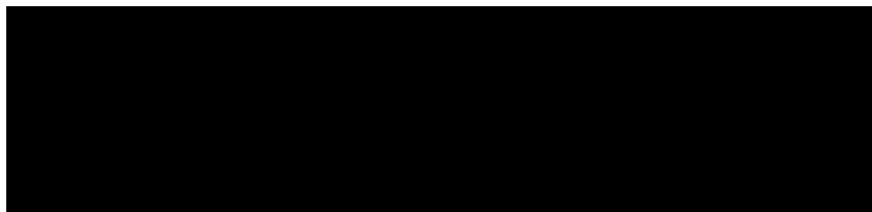
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Pak's authority, however, probably will not be significantly impaired as long as he is able to avoid a sharp deterioration in the country's economic and security conditions. In the absence of such a decline, the North's opportunities for political subversion will be very limited. (SECRET)



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